

## Michaud Opposes House Spending Bill

Saturday, February 19 2011

### Bill jeopardizes rehab of northern Maine freight rail line

WASHINGTON, DC &ndash; Early this morning, Congressman Mike Michaud voted against the Fiscal Year 2011 Continuing Resolution (CR), which will fund the federal government through September 31st. &ldquo;I appreciate that Republicans and Democrats joined with me to restore some important investments in our nation&rsquo;s economic development infrastructure,&rdquo; said Michaud. &ldquo;But on balance, this is a bad bill for Maine that contains cuts that will severely set us back. It takes away over \$10 million that was supposed to go to rehabilitating our freight rail line in northern Maine. It slashes job creating transportation and infrastructure investments when we can least afford it. And it cuts LIHEAP funding by \$390 million.&rdquo;

### Bill jeopardizes rehab of northern Maine freight rail line

WASHINGTON, DC &ndash; Early this morning, Congressman Mike Michaud voted against the Fiscal Year 2011 Continuing Resolution (CR), which will fund the federal government through September 31st.

&ldquo;I appreciate that Republicans and Democrats joined with me to restore some important investments in our nation&rsquo;s economic development infrastructure,&rdquo; said Michaud. &ldquo;But on balance, this is a bad bill for Maine that contains cuts that will severely set us back. It takes away over \$10 million that was supposed to go to rehabilitating our freight rail line in northern Maine. It slashes job creating transportation and infrastructure investments when we can least afford it. And it cuts LIHEAP funding by \$390 million.&rdquo;

During consideration of the bill on the House floor, Michaud successfully passed an amendment to restore funding to the Economic Development Administration (EDA). In Maine, EDA investments have created 2,539 jobs and retained 962 since 2006. Michaud also worked with his colleagues to maintain funding for the Manufacturing Extension Partnership (MEP) Program, which is the only public-private program dedicated to providing technical support and services to small and medium sized manufacturers. Over the last five years in Maine, MEP helped create 670 jobs and retain 2,075 others.

Michaud also supported substantial deficit reduction that went beyond the \$60 billion in savings contained in the underlying bill. He voted to pass amendments that cut more than \$3 billion, including one that eliminates \$450 million for the Joint Strike Fighter alternate engine program.

&ldquo;I strongly support cutting spending to get our fiscal house in order, and I&rsquo;ve supported amendments in this bill to do that. But setting budgets is about priorities, and it should be done through the lens of job creation and economic development. We need to reform and cut programs to make government more efficient, but we can&rsquo;t afford to abandon investments we know will have a direct and positive impact on job retention and creation,&rdquo; said Michaud.

Below is a list of cuts that will have a significant impact on the State of Maine.

- Rescinds \$600 million that has already been awarded through the Transportation Investment Generating Economic Recovery (TIGER) program, including \$10.5 million for the Aroostook Railroad Preservation and Rehabilitation Project, which seeks to replace railroad ties, rail sections and clear drainage ditches to restore the rail routes.

- Cuts \$2.95 billion from Community Development Block Grant Program, which awarded Maine \$21,363,472 in FY2010. This reduction means Maine&rsquo;s CDBG funding is likely to be reduced by more than 50% in FY2011.

- Terminates the Northern Border Regional Commission, which was passed into law by Michaud and just last year awarded its first investments in Maine.
- Cuts \$390 million from LIHEAP's contingency fund.
- Cuts \$1 billion for community health centers. Maine health centers sites would face an immediate loss of \$3 million, leading to loss of access for almost 34,000 patients across Maine, as well as 76 jobs caring for those patients.
- Cuts the National Institutes of Health by \$1.6 billion. These cuts would affect organizations like the Jackson Laboratory in Bar Harbor, which conducts life-saving biomedical research and employs 1,212 Mainers.
- Freezes funding for Pell grants at FY 2010 levels, which will mean a reduction of more than \$800 per student. Approximately 23,410 Mainers are Pell grant recipients.
- Makes \$453 million in cuts to the VA, including in construction, IT and state extended care facilities programs.
- Reduces the Biomass Crop Assistance Program (BCAP) by nearly 55%. Maine receives the most funding in the nation under this program for the advancement of this homegrown form of clean energy.
- Reduces funding for the Employment and Training Administration by more than 90%. This would eliminate funding for grants to states for job training programs, adult employment training, youth activities and dislocated worker employment and training programs. In 2010 Maine got \$3.4 million in Youth State Activities and \$3.4 million in Adult Activities Programs under the Worker Investment Act.
- The bill cuts \$65 million from Dislocated Worker Assistance State Grants, which includes Trade Adjustment Assistance, Rapid Response and National Emergency Grants. 2,700 Mainers received TAA assistance between May 2009 and January 2011. The 2009 TAA expansions recently sunset along with the higher levels of authorized funding, which makes these additional cuts even more troublesome.

# # #